

Kratos Awarded \$8.7 Million in Contracts to Provide Specialized Ground Equipment Related to Unmanned Aerial System Programs

SAN DIEGO, Dec. 27, 2012 (GLOBE NEWSWIRE) -- [Kratos Defense & Security Solutions, Inc.](#) (Nasdaq:KTOS), a leading National Security Solutions provider, announced today that its Unmanned Systems Solutions (USS) division has recently been awarded contracts totaling \$8.7 million to provide specialized ground equipment supporting two strategic unmanned aerial vehicle (UAV) programs. The equipment is being produced in a secure Kratos manufacturing facility. No additional information is being provided due to customer and other sensitivities. These contracts are part of Kratos' continued effort in support of numerous strategic UAV programs in support of our nation's key defense initiatives.

Richard Selvaggio, President of Kratos' Unmanned Systems Solutions division, commented, "Kratos USS is heavily involved in the country's national security emphasis on unmanned systems, including next generation programs. These contract awards further the strategic goals of the division and Kratos as a whole."

Eric DeMarco, President and CEO of Kratos, commented, "Kratos today manufactures and produces products for, and supports many of this country's most important and strategic unmanned aerial system and drone programs. Kratos products supporting unmanned aerial system and drone programs include avionics, electronics, flight control systems, command and control systems, specialized ground equipment, aircraft air frames and structures, and complete and fully integrated aerial systems. These recent contract awards are representative of the overall depth, breadth and capabilities that Kratos has in the unmanned aerial systems area".

About Kratos Defense & Security Solutions

Kratos Defense & Security Solutions, Inc. (Nasdaq:KTOS) is a specialized National Security technology business providing mission critical products, services and solutions for United States National Security. Kratos' core capabilities are sophisticated engineering, manufacturing and system integration offerings for National Security platforms and programs. Kratos' areas of expertise include Command, Control, Communications, Computing, Combat Systems, Intelligence, Surveillance and Reconnaissance (C5ISR), satellite communication systems, unmanned systems, cyber warfare, cybersecurity, information assurance, and critical infrastructure security. Kratos has primarily an engineering and technically oriented work force of approximately 4,400. The vast majority of Kratos' work is performed on a military base, in a secure facility or at a critical infrastructure location. Kratos' primary end customers are National Security related agencies. News and information are available at www.KratosDefense.com.

The Kratos Defense & Security Solutions, Inc. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=3519>

Notice Regarding Forward-Looking Statements

Certain statements in this press release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made on the basis of the current beliefs, expectations and assumptions of the management of Kratos and are subject to significant risks and uncertainty, including risks related to general economic conditions and cutbacks in government spending. Investors are cautioned not to place undue reliance on any such forward-looking statements. All such forward-looking statements speak only as of the date they are made, and Kratos undertakes no obligation to update or revise these statements, whether as a result of new information, future events or otherwise. For a further discussion of risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of Kratos in general, see the risk disclosures in the Annual Report on Form 10-K of Kratos for the year ended December 25, 2011, and in subsequent reports on Forms 10-Q and 8-K and other filings made with the SEC by Kratos.

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